



The New Face of America

"America is experiencing the most profound demographic changes in a century, as result many companies have been caught unaware by the resulting major shifts taking place in the American marketplace today."

Barry Levinson

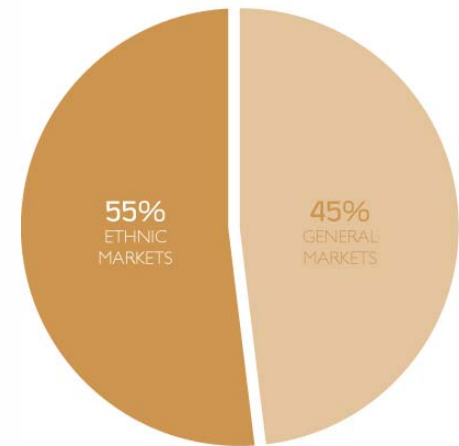
Author and Commentator, Wall Street Journal and Yahoo! Internet Life





The Growing Presence

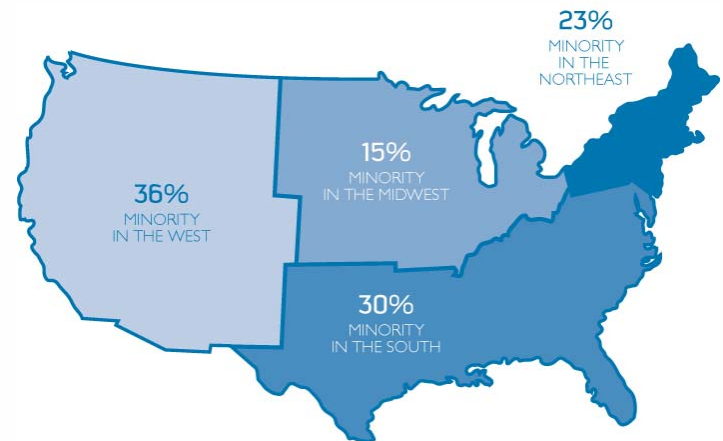
- According to the U.S. Census Bureau, approximately 30 percent of the population currently belongs to a racial or ethnic minority group
- Assuming this growth trend continues, it is projected that by the year 2050 these groups will account for 55 percent of the U.S. population
- In 1970, minority groups represented only 16 percent of the U.S. population. In the 35 years since then, the minority population has nearly doubled





The Hot Spots

1. The West: 36 percent minority
2. The South: 30 percent minority
3. The Northeast: 23 percent minority
4. The Midwest: 15 percent minority





The Spend

- Growth markets comprised of African Americans, Hispanics and Asians now represent a buying power of over \$1.5 trillion – up from \$600 billion in the last decade
- Ethnic American purchasing power is growing at three times the rate of inflation — a faster rate than that of the general market
- The mean household income for Hispanics has increased dramatically since 1980. Today it's estimated at \$34,000
- African Americans are projected to reach parity with white Americans' median household income by 2017





The Loyal Consumer

- Hispanics are more brand loyal than the general market
 - 48 percent of Hispanics see brands as “status indicators” compared to 20 percent of non-Hispanics
- 26 percent of Asian Americans say they always look for a brand name when they shop
- African Americans are so brand-loyal that they are willing to travel an hour or more to shop at their favorite store for their preferred brand

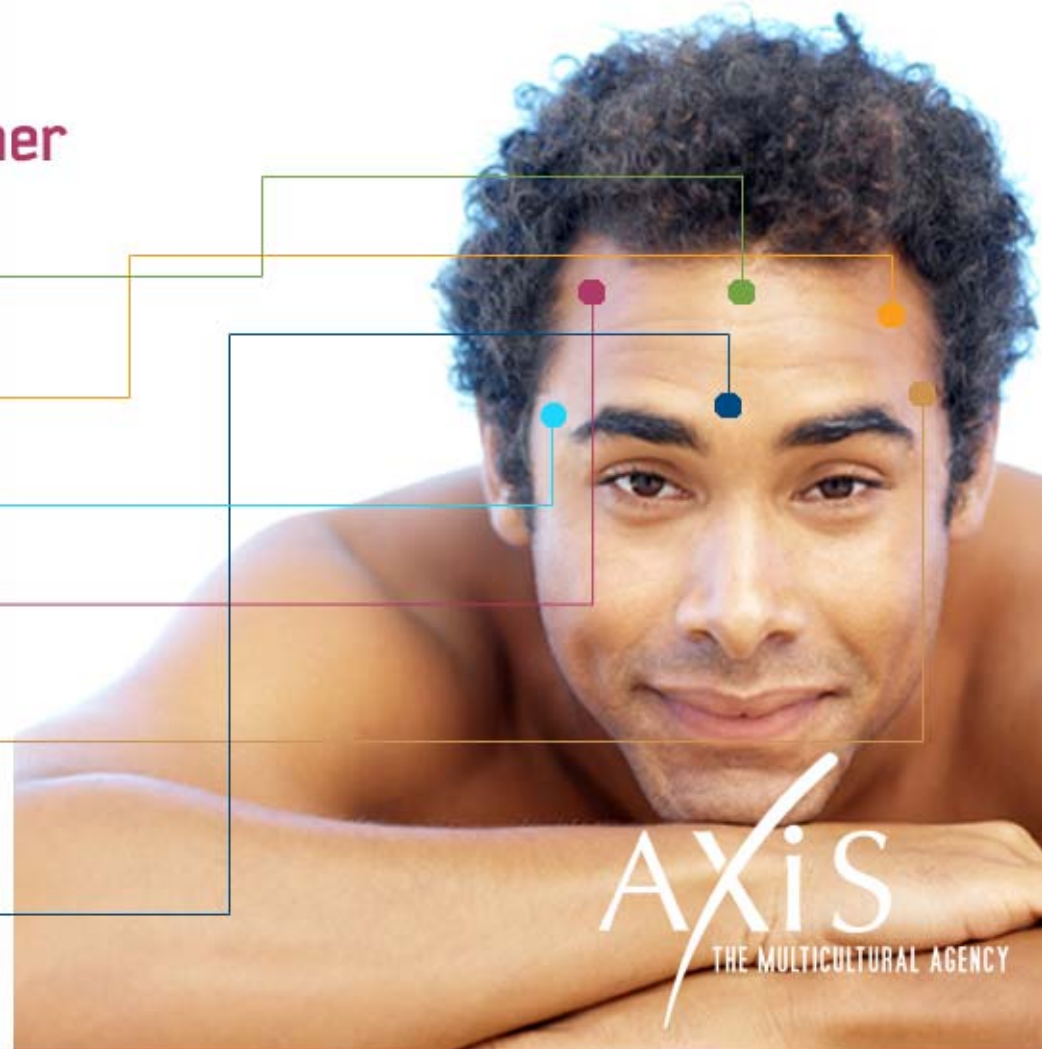
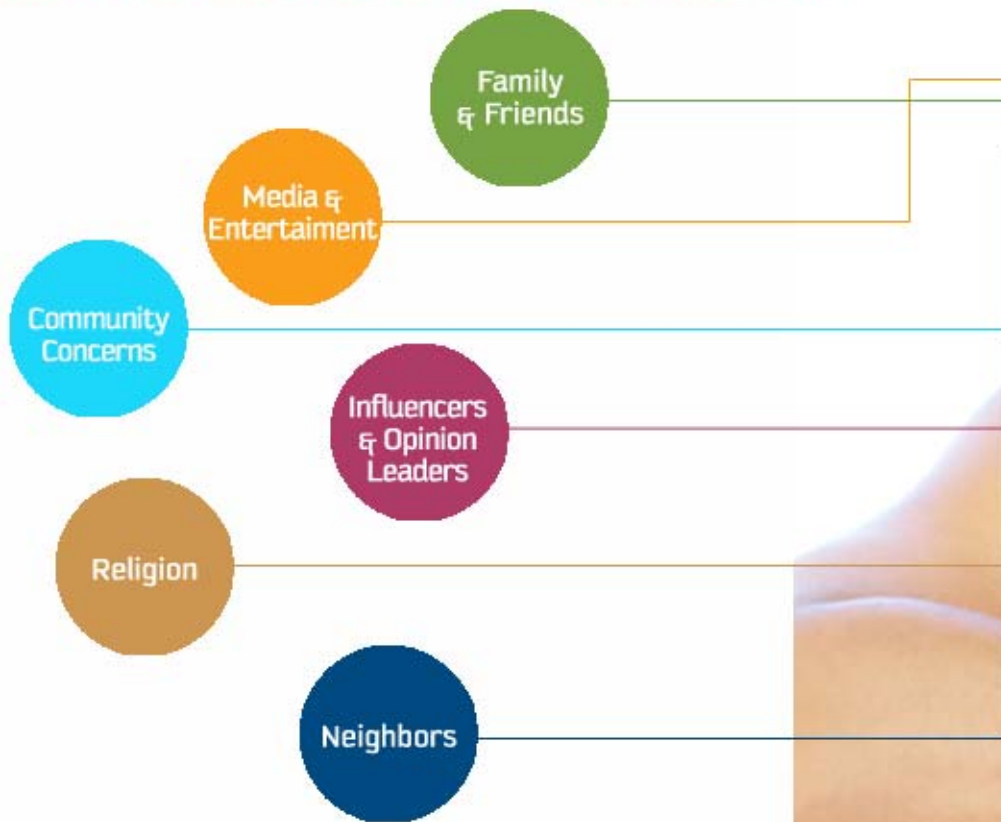


The Young And Hip

- More than 30 percent of the Hispanics and nearly the same percentage of Asians and African Americans are under 17
- In 2030, the minority population will exceed the non-minority population up to 5 years of age, with half a million more minority children in these ages than non-minority children



Get Inside the Ethnic Consumer

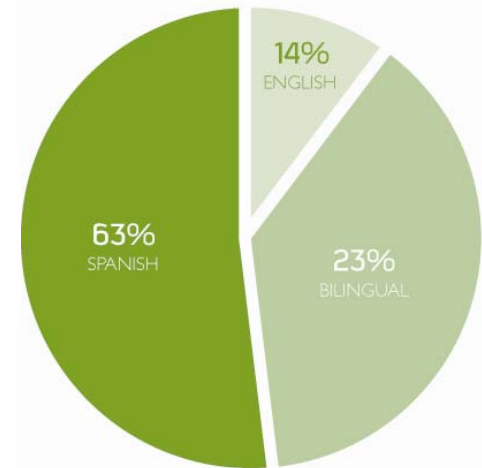


AXIS
THE MULTICULTURAL AGENCY



The Language

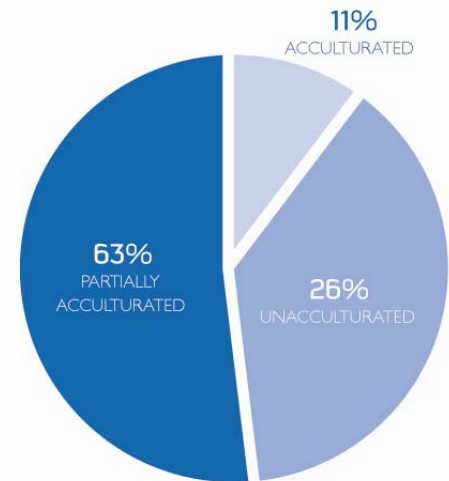
Despite acculturation Hispanics prefer to speak Spanish — it's the language spoken most frequently at home

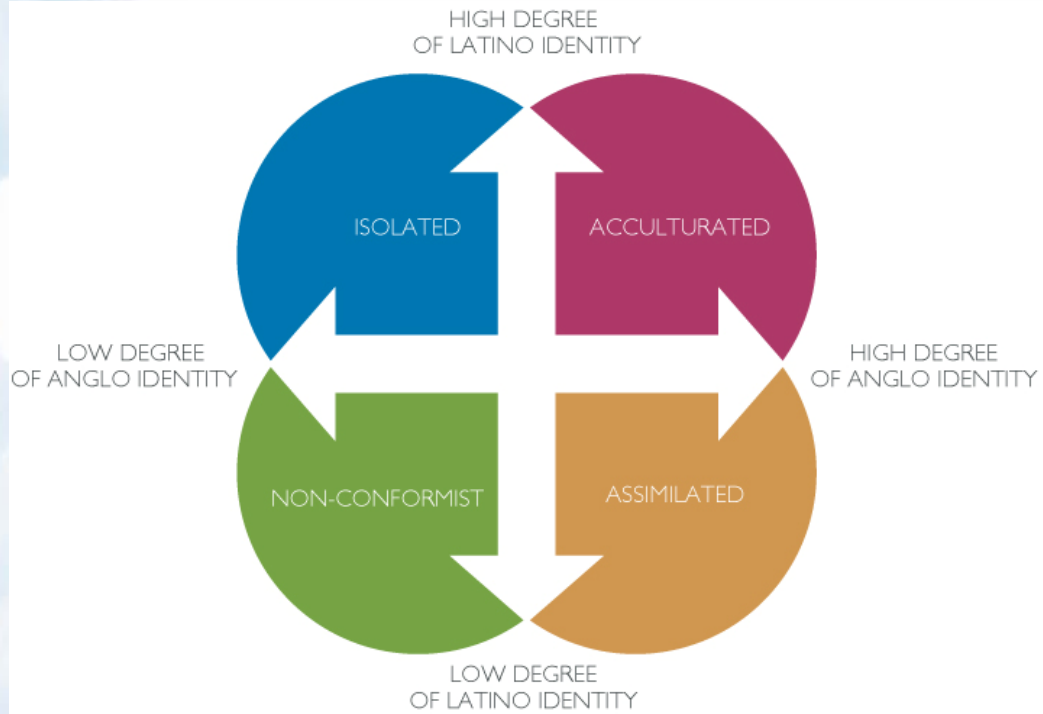




The Acculturation

The acculturation process differs from community to community, however, Hispanics still retain the identity of their culture







The Growing Hispanic Community

Hispanics in the U.S. share a common heritage, but represent different cultures and live different lives – Cubans in Miami, Mexicans in California and Texas, Nuyoricans in New York

The Life in Two Languages

Hispanics in the U.S. communicate in English and Spanish, many times using both languages interchangeably everyday – living a hyphenated reality

The Acculturation Reality

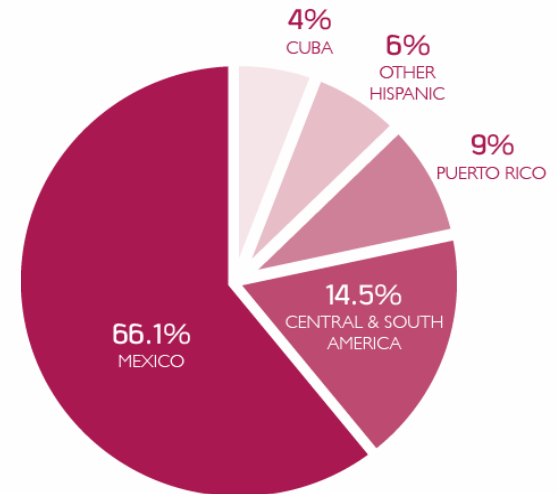
Lifestyle choices, brand loyalty and cultural affinity of foreign-born, 1st generation Hispanics in the U.S. are different from U.S.-born 2nd and 3rd generations





The Hispanic Sensibility

- U.S. Hispanic population is not homogeneous
- Marketers must recognize makeup of population centers
- The majority of U.S. Hispanics are of Mexican decent, about 66%
 - 14% Central and South American
 - 9% Puerto Rico
 - 4% Cuban
 - 6% Other





The Media Habits

- Hispanics consume more than 9 hours of media time daily, 2 hours greater than non-Hispanics
- Everyday, almost 4 in 10 African Americans watch African American-oriented programming, half of Hispanics watch Spanish-language programming and 10 percent of Asians view programming oriented to Asian Americans
- Digital cable is now in 29 percent of all urban households, the highest penetration in African American -- nearly 35 percent
- Nearly 6 in 10 urban homes now have access to the Internet and 32 percent of those connections are high speed





The Silent Generation Comes Alive

What's in her wallet

- Soaring incomes – women's income has increased 63 percent while men's has increased less than 1 percent
- Women bring in more than half of the average household income
- 30 percent of women outearn their husbands, up from 25 percent in late 1990s
- Women today control nearly 52 percent of the private wealth in the U.S.

Household Chief Purchasing Officer

- 53 percent of investment decisions
- 55 percent of consumer electronics
- 60 percent of new cars





The African American Women

- Reaching African American women will deliver the broader African American market
- African American women control nearly 40 percent of the total African American purchasing power
 - They own four in ten businesses in the multicultural markets generating nearly \$20 billion in sales
- African American women are twice as likely as white women to say brands reflect who they are
 - Cost is no obstacle when they really want something, three in ten African American women regularly change aspects of their style (clothing or hair) compared to 8 percent of white women
- While African American women use general market media, studies show they look to Black media for product information and culturally cues
 - Grassroots efforts aimed at churches, beauty shops are very effective



The Hispanic Woman

- Like their counterpart in the African American market, Hispanic women control much of the household spending, in discreet ways
 - They take on a “supporting role to the man in the house” because of cultural realities
- Hispanic women are also younger than the general market, 26 compared to 30 years of age
- Higher birth rates 3.0 per women compared to 2.0 for the U.S. as a whole
 - This impacts buyer behavior – they’re spending more on household items, food and their kids
 - Live a more collective lifestyle and are less individualistic; messaging must be focused on family to be effective



The Hispanic Woman

- Acculturation weighs heavily; there are big differences in marketing to young Hispanic women compared to traditional immigrants
 - Marketing must achieve emotional connections against both groups, but for young Hispanics it must be aspiration and for immigrants informational – and in culture
 - Programs like General Mills' *Que Rica Vida* or Well Fargo's *Abriendo Caminos* resonate and are creating loyalists in entire families
- Don't forget Hispanic women 50 and older, they represent an established and more acculturated market that is a natural bridge to the baby boomers



The Opportunity

- Culturally diverse segments are becoming the majority in many markets and are influencing mainstream culture
- More Americans are sharing food, fashion and entertainment from other cultures
- The erosion of the mass market is allowing even those who see themselves as mainstream to discover unique cultures around them -- driving trends toward market customization





What The Consumer Wants

- An integrated approach bridging the gap between the general market and fast growing multicultural markets
- Unique content, consistent with culture, lifestyle and language
- Compelling properties that tell a story, drive influences and create experiences

